

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6958**

**BILL NUMBER: SB 274**

**DATE PREPARED:** Dec 29, 2001

**BILL AMENDED:**

**SUBJECT:** Licensing of Massage Therapists.

**FISCAL ANALYST:** Valerie Ruda

**PHONE NUMBER:** 232-9867

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill establishes a five-person State Board of Massage Therapy. The bill provides for the licensing of massage therapists by the Board. The bill specifies requirements that applicants must meet in order to be licensed as massage therapists. It also establishes guidelines for the licensing by endorsement of a massage therapist who holds a license in another state. The bill also provides that a knowing violation of the massage therapist licensing law is a Class C misdemeanor.

**Effective Date:** July 1, 2002.

**Explanation of State Expenditures:** Expenditures required for the Board could be approximately \$10,000, as estimated January 2001. This estimate includes per diem, travel, and additional reimbursement for expenditures related to official business of the Board. The bill requires the Board to adopt a licensing exam or approve an examination other than the National Certification Exam for Therapeutic Massage and Bodywork to provide to an applicant for licensure as a massage therapist. If the Board develops an examination for massage therapy licensure, additional expenses could occur.

The Health Professions Bureau (HPB) also would experience additional expenditures including printing and postage associated with the licensing of massage therapists.

The HPB may require additional staff for the processing of this license. If an additional clerical assistant 3 position (COMOT 3) were required, the additional expense would be \$30,578 in FY 2003 and \$29,931 in FY 2004.

As of December 2001, the HPB employed 52 authorized full-time staff members. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

**Explanation of State Revenues:** This bill would establish licensure of massage therapists. As a prerequisite to licensure, the applicant must be accredited by passage of the National Certification Exam for Therapeutic Massage and Bodywork (NCETMB), an equivalent massage examination accredited by the National Commission of Certifying Agencies (NCCA), or an exam created and approved by the Board. The NCETMB is currently accredited by the NCCA. NCETMB accredited status expires with the NCCA on December 1, 2003. If a massage therapist has been credentialed by another state within the five years immediately preceding the submission of an application to the Board, and the state has standards for massage therapists that are substantially equivalent to Indiana's standards, then the applicant would automatically qualify, unless there were any additional requirements established by the Board. If a massage therapist holds a current certification issued between June 30, 1997, and July 1, 2002, from the National Certification Board for Therapeutic Massage and Bodywork (NCBTMB) or another agency that meets standards set by the NCCA, then the applicant would be able to receive a license before July 1, 2003. Applicants who began practicing after July 1, 2002, will be required to pass an additional Board-approved examination and meet other licensing requirements of the Board.

Data acquired from the NCBTMB indicates that 385 practicing massage therapists are currently accredited by the NCBTMB in Indiana. If the fee for licensure was set to recoup the cost of an additional clerical assistant position, the fee would be \$79. The estimate does not include therapists that may have substantial equivalence in another state. The Board would be responsible for the establishment of a reasonable fee.

The bill would also allow the Board to issue a license to any applicant that enrolled in, before March 1, 2002, (and completes before January 1, 2003) a 500-hour massage therapy school or program that was in good standing with any state, regional, or national government that regulates massage therapy or programs. Massage therapists attending or finishing an out-of-state recognized school or program within the above time limits would be able to more easily receive a license to practice massage therapy in Indiana. Any impact to fees collected would be determined by the number of massage therapists choosing to apply for licensure in Indiana that qualify under this provision.

*Note: North Carolina recently required licensure of massage therapists. The fees set were \$150 for the initial license and \$100 for renewals every two years. Renewals are only issued to therapists that meet continuing education requirements.*

All revenue collected from fees from the licensure of massage therapists would be collected and accounted for by the HPB and deposited in the State General Fund.

Violations of the licensure provisions would constitute a Class C misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class C misdemeanor is \$500. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

**Explanation of Local Expenditures:** A Class C misdemeanor is punishable by up to 60 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

**Explanation of Local Revenues:** The bill repeals the fee involved for the required fingerprinting of massage therapists. Local law enforcement units were involved with the fingerprinting and fee collection. Localities would lose revenue as a result of the removal of the fee, but would have corresponding reduction in

expenditures.

With respect to a Class C misdemeanor, if additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

**State Agencies Affected:** Health Professions Bureau; Treasurer of State.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** National Certification Exam for Therapeutic Massage and Bodywork, [www.ncbtmb.com](http://www.ncbtmb.com); National Commission of Certifying Agencies.